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UNCLAS SANTIAGO 002383

STDDTS

STATE FOR R/MR, I/PP, WHA/BSC, WHA/PDA, WHA/EPSC STATE FOR INR/IAA, PM, INL

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TAGS: KMDR KPAO OPRC CI ETRD SUBJECT: MEDIA REACTION -FTAA

On November 21, center-left "Diario Siete" (circ. 23,000) carried an editorial entitled, "The Road to Free Trade." Ouote:

"A recent World Bank survey compared the growth of 'globalized' developing countries with 'unglobalized' ones... Per capita growth in the first group was three to four times higher than in the second... In this context it is a pity that we can still hear Latin American voices opposing commercial integration for ideological reasons based on opposition to the United States... A minimal degree of realism advises us to remain open to the idea of a common market...to improve the continent's ability to compete in global trade.... This means negotiating, removing obstacles, and rooting out the idea that the only valid attitude toward the U.S. is confrontation. One can reject the Bush government's Iraq policy while generating conditions for trade with the world's largest economy. This is what many Latin American nations trying to establish bilateral agreements with the U.S. have come to realize."

On November 21, conservative, independent "La Tercera" (circ. 102,000) ran an article by Alvaro Vargas Llosa entitled, "Dispute Between Fox and Chavez Reflects Political Division in Latin America." Quote: "The crisis between Mexico and Venezuela and their presidents indicates the Cuba-Venezuela axis has opted to take the offensive in view of a clear lack of leadership...among countries supporting the U.S.-backed Free Trade Area of the Americas (FTAA).... Although the only five regional countries-the four Mercosur members and Venezuela-that oppose the FTAA are not in ideological harmony, (Venezuelan President Hugo) Chavez has realized the weak leadership among those closest to the United States gives him an advantage."

KELLY